



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

|                         |              |                |   |
|-------------------------|--------------|----------------|---|
| <b>Bill #</b>           | SB0242       | <b>Title:</b>  | Revise confidentiality of tax records of publicly held corporations |
| <b>Primary Sponsor:</b> | Elliott, Jim | <b>Status:</b> | As Amended in House Committee                                       |

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2  | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

|  | <u>FY 2008<br/>Difference</u> | <u>FY 2009<br/>Difference</u> | <u>FY 2010<br/>Difference</u> | <u>FY 2011<br/>Difference</u> |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Expenditures:</b>                   |                               |                               |                               |                               |
| General Fund                           | \$0                           | \$0                           | \$0                           | \$0                           |
| <b>Revenue:</b>                        |                               |                               |                               |                               |
| General Fund                           | \$11,838                      | \$23,675                      | \$23,675                      | \$23,675                      |
| <b>Net Impact-General Fund Balance</b> | <u>\$11,838</u>               | <u>\$23,675</u>               | <u>\$23,675</u>               | <u>\$23,675</u>               |

**Description of fiscal impact:** This legislation increases the minimum tax on corporations from \$50 to \$55.

### FISCAL ANALYSIS

#### Assumptions:

1. The proposed legislation would increase the minimum tax on corporations from \$50 to \$55. In FY 2006, there were approximately 4,735 corporations that paid the minimum tax of \$50. The increase in revenues per fiscal year would be \$23,675 (4,735 \* \$5).
2. The proposed legislation applies to returns filed after January 1, 2008, therefore affecting only half of FY 2008. The fiscal impact is \$11,838 in FY 2008 and \$23,675 in FY 2009 through FY 2011.

|   | <b><u>FY 2008<br/>Difference</u></b> | <b><u>FY 2009<br/>Difference</u></b> | <b><u>FY 2010<br/>Difference</u></b> | <b><u>FY 2011<br/>Difference</u></b> |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Fiscal Impact:</u></b>  |                                      |                                      |                                      |                                      |
| <b><u>Revenues:</u></b>   |                                      |                                      |                                      |                                      |
| General Fund (01)   | <u>\$11,838</u>                      | <u>\$23,675</u>                      | <u>\$23,675</u>                      | <u>\$23,675</u>                      |
| <b>TOTAL Revenues</b>   | <b><u>\$11,838</u></b>               | <b><u>\$23,675</u></b>               | <b><u>\$23,675</u></b>               | <b><u>\$23,675</u></b>               |
| <b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b> |                                      |                                      |                                      |                                      |
| General Fund (01)   | \$11,838                             | \$23,675                             | \$23,675                             | \$23,675                             |

**Long-Range Impacts:**

1. Similar fiscal impact would be experienced in future years.

**Technical Notes:**

1. Section 2 (1) iv reads “total business income *allocated* to Montana” instead of “total business income *apportioned* to Montana.”

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*